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## BEFORE THE ARIZONA CORPORATION COMMISSION

2 KRISTIN K. MAYES Chairman 3 **GARY PIERCE** Commissioner 4 **PAUL NEWMAN** Commissioner 5 SANDRA D. KENNEDY Commissioner 6 **BOB STUMP** Commissioner 7 8 IN THE MATTER OF THE FORMAL COMPLAINT OF RICK L. STOCKETT, CFT 9 INC. CPR LIFE MASK AND CAREFREE TRADING INC. AGAINST QWEST 10 CORPORATION

709 SEP 28 P 4: 18

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DOCKET NO. T-01051B-09-0425

ANSWER AND STATEMENT OF DEFENSES

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Qwest Corporation ("Qwest") files its Answer and Statement of Defenses to the Complaint filed by Rick L. Stockett, CFT INC. CPR LIFE MASK and Carefree Trading Inc. (the "Complainant").

- 1. Qwest neither admits nor denies the allegations in the first paragraph.
- 2. Qwest admits that Complainant contacted Qwest regarding telephone service, and spoke to Qwest employee Brianne Liimatainen. Qwest admits that Ms. Liimatainen provided information regarding "winback" discounts available for returning customers. Qwest admits that Ms. Liimatainen provided a quote for telephone service to Complainant regarding adding eight business telephone lines. Qwest denies the remaining allegations in the second paragraph.
- 3. Qwest admits that the emails referenced in the third paragraph of the Complaint, which are attached to the Complaint as Exhibits A and B, are correct copies of emails sent by Ms. Limmatainen to Complainant. Qwest states that the emails speak for themselves. Qwest denies the remaining allegations in the third paragraph.

referencing the attached email from Michael Wright, is a correct copy of an email sent by Qwest employee Michael Wright to the Complainant. The email speaks for itself. Owest denies the

employee Michael Wright to the Complainant. The email speaks for itself. Qwest denies the

remaining allegations of the fifth paragraph.

6. Qwest admits that complainant has been paying Qwest \$280.00 per month. Qwest denies the other allegations in the sixth paragraph.

- 7. Qwest admits the allegations stated in the seventh paragraph.
- 8. Qwest admits that the email referenced in paragraph 8, from Brent Anderson, attached as Exhibit D to the Complaint, is a correct copy of an email sent by Qwest employee Brent Anderson. The email speaks for itself. Qwest admits that the initial quote provided by Brianne Liimatainen was an incorrect, too-low quote for the eight win back lines. Qwest denies the other allegations in the paragraph.
- 9. Qwest provides the telephone services listed below to the Complainant. The monthly recurring bills based on the tariff rates for such services are stated as well:

#### Account 602 992-1220

8 Market Expansion Lines = \$22 each = \$176/month
2 Additional Paths = \$22 each = \$44/month
Local Usage = \$30/month (Approx)
Monthly Long Distance = \$10/month - Including 8xx (Approx)
Tax = \$35/month (Approx)

#### $TOTAL\ MONTHLY = $305\ (Approx)$

#### Account 480 488-3777

4 Choice Business = \$39.99 x 6 lines = \$159.96/month
6 Choice Business Add A Line = \$27 x 4 lines = \$108/month
10 Federal Access Charge = \$6.20 per line x 10 = \$62/month
3 Call Fwding svc (roll over features) = \$2.50 x3 = \$7.50/month
Choice Business Discount (3 yr term) = (\$50.99/month) (credit)
High Speed Internet 7 mg = \$56.25/month
High Speed Internet Discount = (\$6.93/month) (credit)
Office Basic (Internet Svc Provider) = \$13/month
Monthly Long Distance = \$90/month - Including 8xx (Approx)

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Tax = \$49/month (Approx)

#### **TOTAL MONTHLY = \$488 (Approx)**

#### TOTAL MONTHLY, BOTH ACCOUNTS=\$793 (approximate)

- 10. In order for the Complainant to keep the same telephone numbers that the Complainant had from its previous VoIP provider in conjunction with the local exchange switched wireline services, it is necessary for the customer to also subscribe to Market Expansion Line ("MEL") service. The Complainant agreed to subscribe to the MEL services. The charges for the MEL services are a substantial part of the difference between the initial quote provided by Ms. Liimatainen and the amounts that Qwest believes Complainant should pay.
- 11. Qwest has provided "winback" discounts in the form of credits, fulfilling the initial offer of three months monthly charges for the eight additional business lines.
- 12. Because of the dispute raised by the Complainant, Owest has not taken any steps to collect from the Complainant, or to disconnect the services for nonpayment. Qwest's billing system does not have a category of charges in dispute. In order to prevent disconnection action for past due balances, Qwest has credited the Complainant's accounts or issued orders that no collection action should be taken. Such actions are not an admission of liability or a waiver of Owest's right to receive payment for the tariffed rates for telephone services.
- 13 Owest denies specifically that it has engaged in unfair and unethical business practices, or made gross misrepresentations with or without unlawful intent.
- 14. Qwest has offered to waive early termination charges if the Complainant should decide to switch other providers.
- 15. The Complainant asks "that Qwest be ordered by the Commission to provide the services to me at the prices they initially promised." The Complainant's demand is in the nature of a request for specific performance of contract. Specific performance of contract is not available as a remedy when a legal remedy is adequate, and is not available at all for service

contracts. Therefore, the Complainant's request must be denied.

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- 16. Qwest specifically denies that the initial quote was an offer that formed the basis of an enforceable contract. The terms of the agreement are the provisions of the tariffs that are filed and effective with the Commission. Parties to transactions entered into for utility services that are the subject of filed tariffs are charged with notice of rate filed. As a matter of law and as a matter of corporate policy, Qwest service representatives are not authorized to make offers that do not comport with the filed tariffs.
- 17. In the alternative, Qwest asserts that the Complaint raises no justiciable claim or controversy. Complainant alleges only that he is "apprehensive that if Qwest cuts off my service it could cost my businesses millions of dollars in damages." Complaint, p. 2.
- 18. Paragraphs 1through 17 are incorporated in this paragraph. As an affirmative defense, Qwest asserts that the alleged contract for lower rates is void as against public policy, because it provides rates lower than those that are listed in Qwest's schedule of rates filed at the Commission. The legal doctrine known as the "filed rate doctrine" is designed to uphold statutory requirements, such as exist in the Arizona statutes, that public utilities must have their rates filed with the regulatory agency, and may not grant a preferential rate to any customer. Under the filed rate doctrine, the filed rate is the only rate that can be charged, even assuming that the carrier had intentionally misrepresented its rate and the customer had relied on those misrepresentations. *American Tel. & Tel. Co. v. Central Office Tel*, 524 U.S. 214, 118 S.Ct. 1956 (1998).
- 19. Paragraphs 1 through 18 are incorporated in this paragraph. As an affirmative defense, Qwest states that its Exchange and Network Services Price Cap Tariff 2.4.1.A limits its liability for claims such as those brought by the Complainant, arising out of errors made by Qwest.

WHEREFORE, Qwest denies that Complainant is entitled to the relief requested and respectfully submits that the Commission should deny the Complaint

## RESPECTFULLY SUBMITTED, the 28th day of September, 2009,

**QWEST CORPORATION** 

Corporate Counsel
20 East Thomas Road, 16<sup>th</sup> Floor
Phoenix, Arizona 85012
Telephone: (602) 630-2187 *Its Attorney* 

1	ORIGINAL and 13 copies hand-delivered for filing this 28th day of September, 2009, to:
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3	Docket Control ARIZONA CORPORATION COMMISSION 1200 West Washington Street Phoenix, AZ 85007
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6	COPY of the foregoing hand delivered this 28th day of September, 2009, to:
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8	Lyn Farmer Chief Administrative Law Judge Arizona Corporation Commission 1200 West Washington Street Phoenix, AZ 95012
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11	Janice Alward, Esq. Legal Division ARIZONA CORPORATION COMMISSION 1200 W. Washington Street Phoenix, AZ 85007
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14	Rick L. Stockett CFT INC. CPR LIFE MASK and Carefree Trading Inc. P.O. Box 1050 500 Easy Street Carefree, Arizona 85377
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